



# Critical Illness Insurance

It's cash when you need it.  
You choose how to spend it.  
So you can focus on getting well.

You've protected your family's financial future by purchasing life and health insurance.

If you survive a serious medical illness, will it be enough? How will you replace lost income for the mortgage payment or child care?

Critical Illness Insurance from The IHC Group pays you a lump sum cash benefit when a covered medical condition is diagnosed.

**Underwritten by Independence American Insurance Company, Madison National Life Insurance Company, Inc., and Standard Security Life Insurance Company** of New York. All three insurance carriers are members of The IHC Group, an insurance organization composed of Independence Holding Company (NYSE: IHC) and its operating subsidiaries. The IHC Group has been providing life, health and stop loss insurance solutions for nearly 30 years. For information on Independence Holding Company and The IHC Group, visit [www.ihcgroup.com](http://www.ihcgroup.com).





## Critical Illness Insurance

**Serious illness takes more than a physical and emotional toll; it can impact your finances.** Critical Illness Insurance from The IHC Group can help manage that financial burden, so you can focus on what really matters, your health.

**Critical Illness Insurance provides a lump sum benefit payment when a covered medical condition is diagnosed.**

The payment is made directly to you and can be used any way you choose—for treatment, daily household expenses or a car payment, and even to maintain a business or pay college tuition.

**Even the best health insurance plan will leave you responsible for your deductible and out-of-pocket.** Beyond those expenses, consider how you will pay for:

- Lost wages
- Experimental treatment or prescription drugs
- Care from specialists outside the patient's health insurance provider network
- Travel to and from medical providers

Critical Illness Insurance is also referred to as specified disease insurance, supplemental insurance or limited benefit insurance. For further information about IHC's individual Critical Illness Insurance in your state, refer to an outline of coverage.



## Covered Illnesses

While life insurance may provide a benefit in the event of an untimely death, most policies don't provide protection if you survive a serious illness.

Critical Illness Insurance provides a benefit if you experience one of the following:

- Cancer
- Heart Attack
- Stroke
- Major Organ Failure
- Coronary Artery Bypass
- Angioplasty
- Coma
- Paralysis
- Severe Burn

Coverage for these critical illnesses will vary by state.

# Who Needs Critical Illness Insurance



Those covered by a high-deductible health plan may need assistance funding the deductible in the event of a major illness. Critical Illness Insurance can help pay the deductible, out-of-pocket cost or cost of specialty drugs.



People close to retirement could see a lifetime of financial preparation wiped out by a serious medical condition. Critical Illness Insurance can help you meet financial obligations without having to dip into savings, an IRA or 401k.



The impact of a serious medical condition may also be felt in the form of lost wages for both the patient and the caregiver. This may make it difficult for a family to afford college tuition for a child, fund retirement or even remain in the family home.

## Protecting yourself and your family from the financial problems associated with illness requires more than just having life and health insurance.

Advances in medicine have made conditions that were once fatal now treatable.

- Five-year relative survival rates for cancer increased from 49 percent in 1977 to 67 percent in 2007.<sup>1</sup>
- Most heart attack patients go back to work within two weeks to three months depending on the severity of a heart attack.<sup>2</sup>
- From 1997-2007 the death rate associated with strokes fell by 34.5 percent.<sup>3</sup>

1. SEER Cancer Statistics Review, 1975-2008, National Cancer Institute. Bethesda, MD, [http://seer.cancer.gov/csr/1975\\_2008/](http://seer.cancer.gov/csr/1975_2008/), based on November 2010 SEER data submission, posted to the SEER website, 2011.

2. American Heart Association, "Heart Attack Recovery FAQs," n.d. Web. 26 July 2011. [www.heart.org](http://www.heart.org)

3. American Heart Association Statistics Committee and Stroke Statistics Subcommittee. Heart disease and stroke statistics—2011 update: a report from the American Heart Association. *Circulation*. 2011;123:e18–e209.

# Choose Your Benefit Amount

Covered individual	Benefit options
Primary insured	\$20,000 - \$50,000 Available in increments of \$1,000
Spouse	\$20,000 - \$50,000 Available in increments of \$1,000
Child(ren)	\$10,000

## Multiple Payment Benefit: Three Categories

An insured person may receive benefit payments from **each** of the following three categories of critical illness diagnosis. The benefit payment under each category cannot exceed 100 percent of the benefit amount per category.

Critical Illness Diagnosis	Benefit Payment Percentage
<b>Category I</b>	
Invasive Cancer (Diagnosed more than 90 days after the effective date)	100%
Invasive Cancer (Diagnosed during the first 90 days of coverage)	10%
Cancer In Situ (Diagnosed more than 90 days after the effective date)	25%
Cancer In Situ (Diagnosed during the first 90 days of coverage)	2.5%
<b>Category II</b>	
Heart Attack	100%
Stroke	100%
Major Organ Failure (Failure of the heart or a combination organ failure including the heart)	100%
Coronary Artery Bypass	25%
Angioplasty	10%
<b>Category III</b>	
Major Organ Failure (Not covered in Category II)	100%
End-Stage Renal Disease	100%
Severe Burn	100%
Coma	100%
Paralysis	100%

**Critical illnesses and the benefits available vary by state.** This is a summary only; the full benefits and critical illness definitions are found in the Critical Illness Insurance Policy.

# Covered Critical Illnesses

Diagnoses must be made within the United States while the insured person's insurance is in force and must be covered under the Policy. The covered critical illness must meet the full definitions provided in the Policy. The full definitions will vary by state. Below is an abbreviated summary of each covered critical illness.

## Category I

### **Invasive Cancer**

Invasive cancer is a malignant neoplasm characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue, including but not limited to leukemias and lymphomas.

### **Cancer in Situ**

Cancer in situ is cancer in which the tumor cells still lie within the tissue of origin without having invaded neighboring tissue. Diagnosis includes early prostate cancer diagnosed as Stage 1 or equivalent staging, and melanoma not invading the dermis.

## Category II

### **Heart Attack**

A heart attack is an acute myocardial infarction resulting in the death of a portion of the heart muscle due to a blockage of one or more coronary arteries, and results in the loss of normal heart function.

### **Stroke**

A stroke is a cerebrovascular incident caused by infarction of brain tissue, cerebral or subarachnoid hemorrhage, cerebral embolism or cerebral thrombosis, persisting for at least 96 hours following the occurrence of the stroke.

### **Major Organ Failure—involving or including the heart**

Major organ failure means clinical evidence of failure which requires the malfunctioning organ(s) or tissue to be replaced with an organ(s) or tissue from a suitable human donor (excluding an insured person). The organ(s) and tissues covered under this category are the entire heart or a combination failure including the heart. In order for the major organ transplant to be covered under this Policy, the insured person must be registered by the United Network of Organ Sharing or the National Marrow Donor Program.

### **Coronary Artery Bypass Surgery**

Coronary artery bypass surgery is heart surgery using a non-coronary blood vessel(s) (either artery or vein) to surgically bypass obstructions in a native coronary artery(ies).

### **Angioplasty**

Angioplasty is the actual undergoing of a percutaneous (through the skin) coronary intervention deemed medically necessary to correct a narrowing or blockage of one or more coronary arteries.

## Category III

### **Major Organ Failure—not involving the heart**

Major organ failure means clinical evidence of failure which requires the malfunctioning organ(s) or tissue of the insured to be replaced with an organ(s) or tissue from a suitable human donor (excluding an insured person). The organs and tissues covered under this Policy are: liver, kidney, small intestine, pancreas, pancreas-kidney, bone marrow or lung.

In order for the major organ transplant to be covered under this Policy, the insured person must be registered by the United Network of Organ Sharing or the National Marrow Donor Program.

### **End-Stage Renal Disease**

End-stage renal disease is the chronic and irreversible failure of both kidneys which requires periodic and ongoing dialysis.

### **Severe Burn**

A severe burn is a cosmetic disfigurement on the surface of a body area caused by an injury that results in a third-degree burn covering 20 percent or more of the body. A third-degree burn is the destruction of the skin through the entire thickness or depth of the dermis and possibly into underlying tissues, with loss of fluid and sometimes shock, by means of exposure to things such as, but not limited to: fire, heat, caustics, electricity or radiation.

### **Coma**

A coma is a profound state of unconsciousness from which the insured person cannot be aroused to consciousness, even by external stimulation, lasting for a continuous period of at least 96 hours.

### **Paralysis**

Paralysis is the complete and permanent loss of use of two or more limbs, through neurological injury, for a continuous period of at least 180 days.

## **Eligibility**

You are eligible to apply for a Critical Illness Insurance plan if you are between age 18 and 64 and a permanent, legal resident of the United States. Your lawful spouse (or partner, as defined by each state) and your children through age 24 are also eligible. You can apply by completing an application for insurance and by qualifying for coverage based on the plan's underwriting guidelines. Critical Illness Insurance is renewable to age 75.

## **When coverage ends**

Insurance under the Policy ends the earliest of:

- The date premium is not paid when due or within the 31-day grace period
- Written request is received from the insured person
- The insured person reaches the maximum benefit amount
- Death of the insured person
- The insured person is no longer a permanent, legal resident of the United States
- The insured or spouse attains age 75

Coverage for an insured dependent child terminates when she/he attains age 25.

## **Exclusions**

This policy does not cover any critical illness caused in whole or in part by, or resulting from, the insured person's:

- Commission of or attempt to commit a felony
- Intentional self-inflicted injury or sickness
- Alcoholism or drug addiction
- Being intoxicated or under the influence of an illegal substance or a narcotic (unless prescribed by a Physician specifically for the insured person)
- Attempting or committing suicide
- Illness or injury that is not specifically set forth in and covered under this Policy
- For child benefit only: the Policy does not provide coverage for a severe burn

Exclusions vary by state. Please refer to the Outline of Coverage or the Critical Illness Insurance Policy for state-specific exclusion information.

# Independence American Insurance Company Madison National Life Insurance Company, Inc. Standard Security Life Insurance Company of New York

Independence American Insurance Company, Madison National Life Insurance Company, Inc. and Standard Security Life Insurance Company of New York underwrite the insurance described in this brochure. All three are members of The IHC Group and are rated A- (Excellent) for financial strength by A.M. Best Company Inc., a widely recognized rating agency that rates insurance companies on their relative financial strength and ability to meet policyholder obligations. (An A++ rating from A.M. Best is its highest rating.)

## The IHC Group

For almost three decades member companies of The IHC Group have built a reputation of commitment to the markets they serve. With over one million customers nationwide, The IHC Group's focus is to be an innovative partner to small businesses, individuals and families.

### Important Information

The information included in this brochure is a summary of the features, plan provisions, benefits, exclusions, limitations, and other information about the Critical Illness Insurance policies, underwritten by Independence American Insurance Company, Madison National Life Insurance Company, Inc. and Standard Security Life Insurance Company of New York. This brochure is not a contract and it is not intended to serve as legal interpretation of the policies. Benefits, exclusions, limitations and availability vary by state and by insurance company. For further information about IHC's Critical Illness Insurance in your state, refer to the outline of coverage. Complete details are provided in the Critical Illness Insurance Policy ICI-P-0211.

